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## INFORMATION REPORT

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1. Some of the richest oil fields in Austria are located in the Soviet zone just outside Vienna. Under Soviet direction, these wells produced two million tons of oil. The Soviets took 75% of this production for their own use and exercised control over the remaining 25% used by the Austrian economy.

Early in 1952 the Soviets issued a stern order to the Austrian oil well operators to increase their production of crude oil. As a result, the wells are being operated twenty-four hours a day. As of 30 June 1952, the rate of oil production from these wells was four million tons per year.

3. Results of a survey of Austrian coal deposits just completed for the Austrian government show only twenty-one coal mines in all of Austria. In general, the coal from these mines is of poor quality and much of it can be burned only with great difficulty. The survey showed that the total deposits available in these twenty-one mines are less than the normal yearly production of brown coal in Germany. For this reason the Austrians are seriously concerned over the fuel shortage and over their predicament of not being free to use their oil in exchange for coal.

4. The Soviets have created further problems for the Austrians in directing the production of gasoline by the cracking of petroleum. Just outside Vienna in the Soviet Zone is an old thermal cracking plant which is operated by the Austrians under Soviet supervision. This plant has been producing 30% gasoline from cracked petroleum containing 7% gasoline. The Soviets insisted that the gasoline production of this plant could be doubled. Austrian engineers tried to explain the physical impossibility of doing this with the equipment on hand. The Soviets forced them to double the input of crude oil through the cracking plant with the result that the gasoline yield fell to 7%, which was the gasoline content of the crude oil before cracking. The Soviets then demanded that the operators increase the input tenfold. Since this was far in excess of the plant's capacity, the cracking chamber simply acted as a pre-heater for the distilling column. Consequently, although the Soviets are still getting only 7% yield from the total input of crude oil, they insist that since the input was increased ten times, they now are obtaining ten times 7%, or 70%, yield of gasoline. The plant is still being operated under these conditions and the gasoline that is obtained contains some diesel oil.

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5. Another instance of Soviet complications is their attempt to extract gasoline from gas. Wet Austrian natural gas contains 4 to 15 percent of gasoline and, usually no attempt is made to extract it. The Soviets recently ordered the Austrians to extract this gasoline. A Soviet petroleum expert required the Austrian operators to pass the wet gas through a tower of activated charcoal to extract the gasoline. The gas came out of the wells at a pressure of 200 atmospheres and since the tower is not designed for such high pressures, the gas blew out all the charcoal. Under Soviet orders, the gas that comes out of the well is first expanded to atmospheric pressure, then passed through the extractor, and finally compressed back to 200 atmospheres pressure by electric power. The amount of gasoline thus obtained is said to be negligible.
6. Samples of oil, coal, and natural gas are sent by the Soviets to Professor Peters\* at the Technical University of Vienna for testing because this institution has a testing laboratory supported by the Austrian government. So far, the Soviets have not paid for this service although they promise to do so. The samples come mainly from the Soviet operated oil and coal fields of Austria. Soviet operated factories using this oil and coal also submit samples to this laboratory for analysis without paying for the service.

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